

FISCAL NOTE

Bill #: HB0006

Title: Change state vehicle mileage allowance

Primary

Sponsor: Sylvia Bookout-Reinicke

Status: As Introduced

Sponsor signature Date

Chuck Swysgood, Budget Director Date

Fiscal Summary

	<u>FY2003</u> <u>Difference</u>	<u>FY2004</u> <u>Difference</u>	<u>FY2005</u> <u>Difference</u>
Expenditures:			
General Fund	(400,000)	(400,000)	(400,000)
Other Funds	(800,000)	(800,000)	(800,000)
Net Impact on General Fund Balance:	\$400,000	\$400,000	\$400,000

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
X		Included in the Executive Budget	X		Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached	X		Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

1. State employees will be reimbursed at the motor pool rate if they choose to use their personal vehicle when a state vehicle is available.
2. The motor pool rate is less than the rate allowed by the United States Internal Revenue Service.
3. There will be no significant increase in work to the Department of Transportation Motor Pool because they already send a notice of unavailability for a motor vehicle.
4. The notice of unavailability from the state motor pool or specific exemption must accompany the travel claim for an employee to be reimbursed at the higher IRS rate.

(continued)

5. The Legislative Auditor found that in FY 2001 there was spent about \$830 thousand general fund, \$1.6 million in state special revenue, \$614 thousand federal revenue, and \$34 thousand proprietary funds for personal car mileage reimbursement.
6. Because more than half of state employees work outside of Helena, and because few unassigned motor pool or leased vehicles are available across the state, it is assumed that less than 50% of the funds shown in assumption #5 will actually be saved.
7. Therefore, \$400,000 general fund is projected to be saved each year.

FISCAL IMPACT:

	<u>FY2003</u> <u>Difference</u>	<u>FY2004</u> <u>Difference</u>	<u>FY2005</u> <u>Difference</u>
<u>Expenditures:</u>			
Operating Expenses (general fund)	(400,000)	(400,000)	(400,000)
Operating Expenses (other funds)	<u>(\$800,000)</u>	<u>(\$800,000)</u>	<u>(\$800,000)</u>
TOTAL	(\$1,200,000)	(\$1,200,000)	(\$1,200,000)

Net Impact to Fund Balance (Revenue minus Expenditure):

General Fund (01)	\$400,000	\$400,000	\$400,000
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TECHNICAL NOTES:

1. An amendment is being prepared by the Office of Budget and Program Planning and the Department of Transportation to change the language in the bill from the “current motor pool rate for the type of motor vehicle needed” to a specific percentage of the IRS allotment for reimbursement.